



# Common DRG System - the Future of Europe? A Response to Recent Commentary

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This is a short piece in response to the “Heterogeneity of European DRG systems and potentials for a common EuroDRG system”<sup>1</sup> by Alexander Geissler, Wilm Quentin and Reinhard Busse from the EuroDRG team. We would like to thank them for taking the time to read our article and offer excellent suggestions to the diagnosis-related group (DRG) systems for further development.

We agree that there is no consensus in Europe regarding the best way in which to shape the DRG system.<sup>2</sup> The main reasons for this are different national healthcare systems and the fact that DRG has been put into use at varying times and for various purposes. The first European country to adopt the DRG system was Portugal in 1984; the initial goal was to measure the performance of hospitals (by now, budgetary allocation has become the objective). Likewise in several other countries, the original purpose of the DRG system was to describe the operations of hospitals, but this was later based on reimbursement and budgeting. This shows that countries are capable of altering their DRG systems and that various European countries are able to move towards a more homogenous DRG system. An excellent example is NordDRG, which is already used by 3 countries.

DRGs are often first seen as a way of reimbursing hospitals, although they were created for a different purpose and used to achieve a much broader objective: to increase transparency, influence efficiency and support hospital management. In addition to reimbursement, 2 other main tasks are mentioned in connection with a system based on DRG. The first task is the assessment of treatment quality and the second is the assessment of service use.

Although DRGs may be quite different across countries, they are largely based on the same characteristics. For example, all types of DRG include diagnosis and procedures as clinical characteristics. Most types of DRG include age (except DBC), and the discharge type (except LKF, DBC) as the administrative/demographic characteristics. In addition, most DRGs take into consideration the LOS/same day status (except AP-DRG, LKF and DBC). Upon coding diagnoses, most countries consider the ICD-10, except Portugal and Spain, who use ICD-9, since AP-DRG requires this specific version of coding. Another peculiarity of the AP-DRG system is that a list of secondary diagnoses is checked in order to identify

cases with major complications and co-morbidities (major CCs), which are then collected in a specific major-CC class.<sup>2</sup> The scope of application of the DRG system is wider than just reimbursement.<sup>3</sup> The system gives the chance to compare various practices of providing healthcare services and is an input to developing quality indicators.<sup>4</sup> At the same time, every reimbursement system needs constant development, and so does the DRG system. The main challenge over the coming years is taking further steps towards healthcare reimbursement that would support a comprehensive patient approach.<sup>5</sup> DRG plays an important role in this.

So far, the DRG system has been predominantly oriented towards hospital treatment, but as more and more outpatient services are provided, in many countries the greatest challenge is to apply a DRG-based reimbursement system more actively in order to budget outpatient surgery and treatment services in more detail and to plan services. The aim is to support and motivate medical institutions to provide more services as outpatient treatment, which is more convenient for patients. Many research papers and articles were written on the application of, experiences with and effects of a DRG-based reimbursement system in the 1980s and the 1990s, but later, this field has been covered about much less.<sup>6</sup> A lot of work was done under the EuroDRG project (Diagnosis-related groups in Europe: towards efficiency and quality), which resulted in a thorough overview of the DRG systems currently in place in Europe. Now, it is important to develop the subject further and to find opportunities to harmonise the DRG system in Europe. It is also important because the directive on patients' rights in cross-border healthcare has been in force in the European Union (EU) since 2013, and the DRG system, which is based on similar principles, would greatly help enforce it. It is also important to carry out various comparative studies (including quality analyses) and cost-benefit analyses using the clinical framework of DRG.

## Ethical issues

Not applicable.

## Competing interests

Author declares that she has no competing interests.

## Author's contribution

GPA is the single author of the manuscript.

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